



Notice of Annual General Meeting 2010

Dear Shareholder

We are writing to invite you, as a shareholder in Investorfirst Limited ('Investorfirst' or 'Company'), to attend the Annual General Meeting ('AGM') on Friday, 26 November 2010.

The meeting will be held at our Sydney office which is located at Level 11, 7 Macquarie Place, Sydney. The meeting will begin at 11.00am, with registration beginning at 10.45am.

A Proxy Form is included within this information pack. Please complete and lodge this in accordance with the instructions in the Notice of Meeting, particularly if you do not intend to attend the meeting.

The Notice of Meeting commences on the following page, listing the items to be considered at the meeting. Background information on the ordinary business items and the special business item is contained in the Explanatory Memorandum on pages 9 to 28.

Agenda Item 2 is a non-binding resolution that shareholders adopt the Remuneration Report which is contained on pages 9 to 15 in the 2010 Annual Report.

A copy of the Investorfirst 2010 Annual Report for the year ended 30 June 2010 is available on the Group's website www.investorfirst.com.au/investor-relations.

Yours sincerely

Otto Buttula
Executive Chairman

Notice is given that the Annual General Meeting of Investorfirst Limited ('Investorfirst' or 'Company') will be held at 11am on Friday, 28 November 2010 at the office of Investorfirst Limited, Level 11, 7 Macquarie Place, Sydney, NSW, 2000.

AGENDA

ORDINARY BUSINESS – Items 1 to 4

1. Consideration of Financial Statements

To receive and consider the annual financial statements of the Company for the year ended 30 June 2010, together with the Directors' report and the external auditor's report in accordance with the *Corporations Act 2001* (Cth) ('*Corporations Act*').

2. RESOLUTION 1: Adoption of Remuneration Report

To consider and, if thought fit, pass the following non-binding Resolution:

"That, for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the year ended 30 June 2010, as contained within the Directors' Report, be adopted."

Note

This resolution shall be determined as if it were an ordinary (majority) resolution, but under section 250R(3) of the *Corporations Act*, the vote is advisory only and does not bind the Directors of the Company.

3. RESOLUTION 2: Approval of Re-Election of Mr. Robert Bishop as a Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, Mr. Robert Bishop, who retires by rotation in accordance with Article 18.5 of the Constitution of the Company, and who, being eligible, offers himself for re-election, be re-elected as a Director of the Company with immediate effect."

Note

Mr. Rob Bishop was previously elected as a Director by members of the Company on 26 November 2008.

Information about this candidate, whom is seeking re-election appears in the Explanatory Memorandum.

4. RESOLUTION 3: Approval of the Election of Mr. Kimberley Hogan as a Director

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, Mr. Kimberley Hogan, who was appointed by the Directors in the last 12 months to fill a casual vacancy, and who, being eligible, offers himself for election in

accordance with Article 18.4 of the Constitution be elected as a Director of the Company with immediate effect."

Note

Information about this candidate, whom is seeking election appears in the Explanatory Memorandum.

SPECIAL BUSINESS – Items 5 to 16

5. RESOLUTION 4: Approval of the inclusion of a proportionate takeover article in Constitution

To consider and, if thought fit, to pass the following resolution as a special resolution:

"That, a new Article 40 be inserted into the Company's Constitution as follows:

40. Proportional Takeover Bids"

In this clause 40:

Approving Resolution means a resolution passed in accordance with this clause 40.

Approving Resolution Deadline means in relation to a Proportional Takeover Bid, the day that is the 14th day before the last day of the Bid Period.

40.1 Registration of a transfer giving effect to a contract resulting from the acceptance of an offer made under a Proportional Takeover Bid is prohibited unless and until an Approving Resolution approving the Proportional Takeover Bid is passed.

40.2 A person (other than the Bidder or an associate of the Bidder) who, as at the end of the day on which the first offer under the Proportional Takeover Bid was made, held Bid Class Shares is entitled to:

- (a) vote on an Approving Resolution; and
- (b) has one vote for Bid Class Share held.

40.3 Where offers have been made under a Proportional Takeover Bid, the Directors must ensure that an Approving Resolution is voted on at a meeting of the persons described in 40.2 before the Approving Resolution Deadline.

40.4 An Approving Resolution is passed if more than 50% of the votes cast on the resolution are cast in favour of the resolution, and otherwise is taken to have been rejected.

40.5 The provisions of this Constitution that apply to a general meeting of the Company apply, with such modifications as the circumstances require, to a meeting that is called under this clause as if the meeting was a general meeting of the Company.

40.6 If an Approving Resolution to approve the Proportional Takeover Bid is voted on in accordance with this clause before the Approving Resolution Deadline, the Company must, on or before the Approving Resolution Deadline, give:

- (a) the Bidder; and
- (b) the Relevant Financial Market,

a written notice stating that an Approving Resolution to approve the Proportional Takeover Bid has been voted on and whether it was passed or rejected.

40.7 If no resolution has been voted on in accordance with this clause as at the end of the day before the Approving Resolution Deadline, a resolution to approve the Proportional Takeover Bid is taken, for the purposes of this clause, to have been passed in accordance with this clause.

40.8 This clause 40 will, unless renewed in accordance with the Act, automatically cease to have effect three years after the date of its adoption or renewal or last renewal (as the case may require)."

6. RESOLUTION 5: Approval to update the indemnity provisions in Constitution

To consider and, if thought fit, to pass the following resolution as a special resolution:

"That, Article 37 of the Company's constitution be amended as follows:

- *in Article 37.1(b), immediately after the words "under section 1317H" insert the words "1317HA or 1317HB"; and*
- *in Article 37.2(b), immediately after the words "under section 1317H" insert the words "1317HA or 1317HB".*

7. RESOLUTION 6: Approval to update dividend provisions in Constitution

To consider and, if thought fit, to pass the following resolution as a special resolution:

"That, Article 32.1 of the Company's Constitution be repealed and replaced as follows:

"The Directors may from time to time declare dividends in accordance with section 254T of the Corporations Act.""

8. RESOLUTION 7: Refresh capacity to issue shares, following the issue of shares for the acquisition of an 81% interest in the Alert Trader Group of Companies

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That the issue by the Company on 9 September 2010 of 10,750,000 fully paid ordinary shares in the capital of the company be approved for all purposes, including the purpose of ASX Listing Rule 7.4, as described in the Explanatory Memorandum accompanying this Notice of Meeting."

Voting exclusion statement on item 8:

The Company will disregard any votes cast on this resolution set out in Resolution 7 by:

- any person who participated in the issue (**Participant**); and
- any Associate of any Participant.

However, the Company need not disregard a vote of a Participant or any Associate of a Participant if:

- (i) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

The Chairman will vote any undirected proxies in favour of the resolution.

9. RESOLUTION 8: Cancellation of Investorfirst Partly Paid Securities to the former Chief Executive Officer

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

"That, for the purposes of Listing Rule 7.26, approval be given to cancel the 3,500,000 partly paid securities issued to Mr. Brett Spork, the former CEO of the company, which were forfeited following his resignation which took effect on 25 June 2010 and as described in the Explanatory Memorandum accompanying this Notice of Meeting."

Voting exclusion statement on item 9:

The Company will disregard any votes cast on this resolution set out in Resolution 8 by Mr. Brett Spork and an Associate of Mr. Brett Spork.

However, the Company need not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

The Chairman will vote any undirected proxies in favour of the resolution.

10. RESOLUTION 9: Increase in aggregate cap of Non-executive Directors' Fees

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, the aggregate maximum sum available for remuneration of Non-executive Directors is increased by A\$150,000 from A\$250,000 per annum to A\$400,000 per annum."

Voting exclusion statement on item 10:

The Company will disregard any votes cast on this resolution by a Director of the Company and an Associate of a Director.

However, the Company need not disregard a vote if it is cast by:

- a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

The Chairman will vote any undirected proxies in favour of the resolution.

11. RESOLUTION 10: Approval of the acquisition of HUB24 Pty Ltd and the issue of Investorfirst fully paid ordinary shares as consideration for the acquisition

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, subject to the approval of Resolution 11, for the purposes of ASX Listing Rules 7.1, 7.3, 10.11 and 11.1 and for all other purposes, approval is given for the issue by the Company of 266,666,667 million new shares as consideration for the acquisition of 100% of the issued capital of HUB24 Pty Ltd on the terms disclosed in the Explanatory Memorandum that accompanies this Notice of Meeting."

Voting exclusion statement on item 11:

The Company will disregard any votes cast on this resolution set out in Resolution 10 by:

- any other person who may participate in the issue of shares or receive a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed (**Participant**); and
- an Associate of any of those persons.

However, the Company need not disregard a vote of a Participant or any Associate of a Participant if:

- (i) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

The Chairman will vote any undirected proxies in favour of the resolution.

12. RESOLUTION 11: Approval of the placement up to A\$12.5 million, to Sophisticated and Professional Investors

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, subject to the approval of Resolution 10, for the purposes of Listing Rule 7.1 and for all other purposes, approval is given for the issue of up to 166,666,667 fully paid ordinary shares in the capital of the Company to sophisticated and professional investors (being persons to whom a disclosure document is not required to be provided by virtue of s708(8) or 708(11) of the Corporations Act) at an issue price of A\$0.075, by way of a placement, and otherwise on the terms detailed in the Explanatory Memorandum."

Voting exclusion statement on item 12:

The Company will disregard any votes cast on this resolution by:

- a person who may participate in the proposed issue or who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed (**Participant**);
- an Associate of those persons.

However, the Company need not disregard a vote of a Participant or any Associate of a Participant if:

(i) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or

(ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

The Chairman will vote any undirected proxies in favour of the resolution.

13. RESOLUTION 12: Approval for Mr. Otto Buttula (Executive Chairman) to participate in the Placement

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, subject to the approval of Resolutions 10 and 11, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Mr. Otto Buttula (Executive Chairman) to participate in the placement of shares referred to in Resolution 11 and otherwise on the terms detailed in the Explanatory Memorandum."

Voting exclusion statement on item 13:

The Company will disregard any votes cast on this resolution set out in Resolution 12 by:

- any Director who intends to participate in the issue (**Director Participant**); and
- any Associate of any Director Participant.

However, the Company need not disregard a vote of a Director Participant or any Associate of a Director Participant if:

(i) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or

(ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

Mr. Robert Bishop (acting as Chairman on Resolution 12 only) will vote any undirected proxies in favour of the resolution.

14. RESOLUTION 13: Approval for Mr. Darren Pettiona (Director) to participate in the Placement

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, subject to the approval of Resolutions 10 and 11, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Mr. Darren Pettiona (Director) to participate in the placement of shares referred to in Resolution 11 and otherwise on the terms detailed in the Explanatory Memorandum."

Voting exclusion statement on item 14:

The Company will disregard any votes cast on this resolution set out in Resolution 13 by:

- any Director who intends to participate in the issue (**Director Participant**); and

- any Associate of any Director Participant.

However, the Company need not disregard a vote of a Director Participant or any Associate of a Director Participant if:

- (i) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

The Chairman will vote any undirected proxies in favour of the resolution.

15. RESOLUTION 14: Approval for Mr. Kimberley Hogan (Director) to participate in the Placement

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, subject to the approval of Resolutions 10 and 11, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Mr. Kimberley Hogan (Director) to participate in the placement of shares referred to in Resolution 11 and otherwise on the terms detailed in the Explanatory Memorandum."

Voting exclusion statement on item 15:

The Company will disregard any votes cast on this resolution set out in Resolution 14 by:

- any Director who intends to participate in the issue (**Director Participant**); and
- any Associate of any Director Participant.

However, the Company need not disregard a vote of a Director Participant or any Associate of a Director Participant if:

- (i) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

The Chairman will vote any undirected proxies in favour of the resolution.

16. RESOLUTION 15: Approval for Mr. Robert Spano (Director) to participate in the Placement

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

"That, subject to the approval of Resolutions 10 and 11, for the purpose of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Mr. Robert Spano (Director) to participate in the placement of shares referred to in Resolution 11 and otherwise on the terms detailed in the Explanatory Memorandum."

Voting exclusion statement on item 16:

The Company will disregard any votes cast on this resolution set out in Resolution 15 by:

- any Director who intends to participate in the issue (**Director Participant**); and
- any Associate of any Director Participant.

However, the Company need not disregard a vote of a Director Participant or any Associate of a Director Participant if:

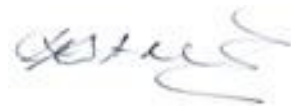
- (i) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

The Chairman will vote any undirected proxies in favour of the resolution.

Explanatory Memorandum

Before deciding how to vote on the Resolutions, you should carefully read the Explanatory Memorandum accompanying, and forming part of, this Notice of Annual General Meeting ('Notice of Meeting').

By Order of the Board



Andrea Steele
Company Secretary
21 October 2010

Notes

Who May Vote	Persons whose names are set out in the register of members of the Company as at 11.00am (AEDT) on 24 November 2010 are entitled to attend and vote at the meeting convened by this notice.
Proxies Appointment -	A member of the Company who is entitled to attend and vote at the meeting has a right to appoint not more than 2 proxies to attend and vote for the member at the meeting. A member who is entitled to cast 2 or more votes may appoint 2 proxies. Where a member appoints 2 proxies, the appointment may specify the proportion or number of votes which each proxy may exercise. If the appointment does not specify the proportion or number of the member's votes each proxy may exercise, then each proxy may exercise half of those votes. A proxy need not be a member of the Company.
Proxies Lodgment -	To be valid, a proxy form must be received by the Company by no later than 11.00am (AEDT) on 24 November 2010 ('Proxy Deadline'). Proxies may be submitted by : (a) post; or (b) hand delivery to Level 11, 7 Macquarie Place, Sydney NSW 2000; or (c) facsimile to +61 2 9290 9655. A written proxy appointment must be signed by the member or the member's attorney. Where the appointment is signed by the appointor's attorney, a certified copy of the authority, or the authority itself, must be lodged with Company in one of the above ways by the Proxy Deadline. If facsimile transmission is used, the authority must be certified.
Body Corporate Representative	A member of the Company who is a body corporate and who is entitled to attend and vote at the meeting, or a proxy who is a body corporate and who is appointed by a member of the Company entitled to attend and vote at the meeting, may appoint a person to act as its representative at the meeting by providing that person with: (a) a letter or certificate, executed in accordance with the body corporate's constitution, authorising the person as the representative; or (b) a copy of the resolution, certified by the secretary or a Director of the body corporate, appointing a representative.

Explanatory Memorandum to Shareholders

Investorfirst Limited

A.B.N. 87 124 891 685

Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders of Investorfirst Limited ('Investorfirst', 'INQ' or 'Company') in connection with the business to be transacted at the Annual General Meeting of the Company to be held at Level 11, 7 Macquarie Place, Sydney on Friday 26 November 2010 at 11.00am EST (registration from 10.45am EST) ('Annual General Meeting').

At the Annual General Meeting, Shareholders will be asked to pass resolutions:

- 1) Adopting the Remuneration Report;
- 2) Approving the re-election of Mr. Robert Bishop as a Director of the Company;
- 3) Approving the election of Mr. Kimberley Hogan as a Director of the Company;
- 4) Approving the inclusion of proportionate takeover article in the Constitution;
- 5) Approving updates on indemnity provisions in the Constitution;
- 6) Approving updates on dividend provisions in the Constitution;
- 7) Approving refresh capacity to issue shares, following the issue of shares for the acquisition of an 81% interest in the Alert Trader Group of Companies;
- 8) Approving the cancellation of Investorfirst Partly Paid Securities to the former Chief Executive Officer;
- 9) Approving the increase in aggregate cap of Non-executive Directors' Fees;
- 10) Approving the acquisition of HUB24 Pty Ltd and the issue of Investorfirst fully paid ordinary shares as consideration for the acquisition;
- 11) Approving the Placement up to A\$12.5m, to Sophisticated and Professional Investors;
- 12) Approving the participation of Mr. Otto Buttula (Executive Chairman) in the Placement;
- 13) Approving the participation of Mr. Darren Pettiona (Director) in the Placement;
- 14) Approving the participation of Mr. Kimberley Hogan (Director) in the Placement; and
- 15) Approving the participation of Mr. Robert Spano (Director) in the Placement.

The purpose of this Explanatory Memorandum is to provide information that the Board believes to be material to Shareholders in deciding whether or not to pass these resolutions.

It explains the resolutions and identifies the Board's reasons for putting them to the Shareholders. This Explanatory Memorandum should be read in conjunction with the accompanying Notice of Meeting.

Action to be taken by Shareholders

Shareholders should read this Explanatory Memorandum carefully before deciding how to vote on the resolutions set out in the Notice of Meeting. At the end of this Explanatory Memorandum is a proxy form for use by Shareholders.

All Shareholders are invited and encouraged to attend the Annual General Meeting or, if they are unable to attend in person, to complete, sign and return the proxy form to the Company in accordance with the instructions contained in the proxy form and the Notice of Meeting. Lodgement of a proxy form will not preclude a Shareholder from attending and voting at the Annual General Meeting in person.

Ordinary Business

Agenda Item 1

Consideration of Financial Statements

Section 317 of the *Corporations Act* requires the Company's financial statements and reports of the Directors and of the external auditor for the year ended 30 June 2010 to be laid before the Annual General Meeting. The financial statements and the reports of the Directors and of the Company's external auditor are contained in the Company's 2010 Annual Report, a copy of which has been sent to those Shareholders requesting such. In addition, this is also available on request to the Company or from the Group's web site at www.investorfirst.com.au/investor-relations.

While no resolution is required in relation to this item, Shareholders should consider the documents and raise any matters of interest with the Directors when this item is being considered.

The Company's external auditor will also be present at the meeting and Shareholders will have an opportunity to ask the external auditor any relevant questions in relation to the conduct of the audit, the auditor's report and the independence of the auditor.

Agenda Item 2

Non-Binding Resolution on Adoption of the Remuneration Report

Section 250R of the *Corporations Act* requires a publicly listed company to put a resolution to shareholders to adopt the company's Remuneration Report. The vote on this resolution is advisory only and does not bind the Directors or the company.

The Remuneration Report can be found at pages 9 to 15 of the Annual Report for the year ended 30 June 2010. It sets out Investorfirst's remuneration policy and the remuneration arrangements for the Key Management Personnel.

In accordance with the *Corporations Act*, Shareholders will be given an opportunity to ask questions and make comments on the Remuneration Report.

The Group's remuneration structure is designed to align executive and shareholder interests, retain talent and support long term value creation by providing employees with competitive remuneration and valuable rewards for outstanding performance.

*The Board **abstains from making a recommendation** in relation to this resolution.*

Agenda Item 3

Approval of Re-Election of Mr. Robert Bishop as a Director

The Listing Rules of the Australian Securities Exchange ('ASX Listing Rules') require the Company to hold an election of Directors each year.

Pursuant to Article 18.5 of Investorfirst's Constitution one third of the Directors (other than the Managing Director) are required to retire from office at each Annual General Meeting, together with any Director who has held office without re-election for three or more years.

As such, in accordance with this Article of the Constitution, Mr. Robert Bishop will retire by rotation at the Annual General Meeting and, being eligible, offers himself for election.

Profile of Mr. Robert Bishop B. Ec., MAICD

Mr. Bishop has extensive experience in financial services, with a particular expertise in cards, payments, retail banking and distribution having held senior executive positions at National Australia Bank, Westpac and Citibank.

Mr. Bishop is currently a Director of Keycorp Limited (ASX: KYC) and was previously a Director of IWL Limited (ASX: IWL) from 2001 up until December 2007.

Mr. Bishop was appointed to the Board on 8 October 2008 and is the Chairman of the Audit, Risk & Compliance Committee.

*The Board recommends that shareholders **vote in favour** of this resolution. Mr. Robert Bishop has abstained in regard to this recommendation.*

Agenda Item 4

Approval of Election of Mr. Kimberley Hogan as a Director

Pursuant to Article 18.1, the Directors shall have power to appoint any person as a Director either to fill a casual vacancy or as an addition to their number. A person (other than the Managing Director) appointed as a Director pursuant to this Article 18.4, holds office until the conclusion of the next annual general meeting, and is eligible for election at that meeting.

As such, in accordance with this Article of the Constitution, Mr. Kimberley Hogan will retire at the Annual General Meeting and, being eligible, offers himself for election.

Profile of Mr. Kimberley Hogan B. Bus

Mr. Hogan was appointed to the Board on 1 September 2010 as an independent Non-executive Director. Mr. Hogan has extensive experience in financial services, with a particular expertise in all facets of full service stockbroking. Specifically, this has included advice and portfolio construction, including derivatives, retail desk construction and management, in addition to supervision of risk exposures and compliance.

Profile of Mr. Kim Hogan's Experience

1987 - 1990 Benny Partners/Paterson Ord Minnett (Advisory)

1990 - 1999 Porter Western Limited (Director / Equity Partner)

1999 - 2006 Macquarie Bank (Associate Director)

2006 - Now Dalgety Capital Pty Ltd (Executive Director)

Mr. Hogan is resident of Perth, Western Australia.

*The Board recommends that shareholders **vote in favour** of this resolution. Mr. Kimberley Hogan has abstained from this recommendation.*

Special Business

Agenda Item 5

Approval of the inclusion proportionate takeover article in Constitution

Under section 136 of the Corporations Act a company's constitution can only be amended by special resolution.

Section 618(1)(b) of the Corporations Act permits proportional takeovers in that it provides that an offer for securities under an off-market bid may be an offer to buy a specified proportion of the securities in the bid class, provided the proportion specified is the same for all holders of securities in the bid class.

In order to increase shareholders' bargaining power in the face of a proportional bid, section 648D of the Act provides that a company can alter its constitution by inserting provisions which prohibit the registration of a transfer of shares resulting from a proportional takeover bid unless the bid is approved by shareholders in general meeting.

Part 6.5 Subdivision 5C of the Corporations Act provides that these Proportional Takeover Bid provisions cease to apply at the end of 3 years from their adoption (or last renewal) but that these may be renewed by special resolution of the members.

*The Board recommends that shareholders **vote in favour** of this resolution.*

Agenda Item 6

Approval to update the indemnity provisions in Constitution

Under section 136 of the Corporations Act a company's constitution can only be amended by special resolution.

The proposed amendments to Article 37 of the Company's constitution reflect recent amendments to the Corporations Act which restrict indemnities being given in respect of pecuniary penalties ordered under sections 1017H, 1017HA and 1017HB.

*The Board recommends that shareholders **vote in favour** of this resolution.*

Agenda Item 7

Approval to update dividend provisions in Constitution

Under section 136 of the Corporations Act a company's constitution can only be amended by special resolution.

Under the former section 254T of the Corporations Act a company could only pay dividends out of its profits. This was known as the "profits test".

Article 32.1 of the Company's Constitution mirrors this old section of the Act in that it provides for Directors to pay from profits such dividends as appear to be justified.

Pursuant to the Corporations Amendment (Corporate Reporting Reform) Act 2010, with effect from 28 June 2010, this has been replaced by a new section 254T which prohibits the payment of a dividend unless:

- the company's assets exceed its liabilities immediately before the dividend is declared and the excess is sufficient for the payment of the dividend;
- the payment of the dividend is fair and reasonable to the company's shareholders as a whole; and
- the payment of the dividend does not materially prejudice the company's ability to pay its creditors.

The proposed amendment reflects this change to the law.

*The Board recommends that shareholders **vote in favour** of this resolution.*

Agenda Item 8

Refresh capacity to issue shares, following the issue of shares for the acquisition of an 81% interest in the Alert Trader Group of Companies

Resolution 7 is being put before Shareholders in accordance with ASX Listing Rule 7.4.

A prior issue of securities that is approved by Shareholders under Listing Rule 7.4 is excluded from the total number of issued securities used to calculate the number of new securities that may be issued under Listing Rule 7.1.

Pursuant to ASX Listing Rule 7.4, a company may subsequently obtain shareholder approval for the issue of securities. In doing so, the Company then 'refreshes' its ability under Listing Rule 7.1 to issue up to 15% of its issued capital in any 12 month period.

Shareholder approval to the above issue of shares was not required (and was not obtained) as it constituted less than 15% of the Company's fully paid ordinary shares. However, as a result of this issue, the Company is limited as to the extent of new issues of securities which it can make in the next 12 months without shareholder approval (because of the 15% limit in ASX Listing Rule 7.1).

The Directors believe that it is important for the Company to have the ability to issue securities under Listing Rule 7.1 and that it is in the best interests of the Company to enhance its Listing Rule 7.1 power, as it enables the Company to move quickly to undertake fundraising when necessary.

Outlined below is the information required to be provided to Shareholders pursuant to Listing Rule 7.5 for the purpose of obtaining Shareholder approval under Listing Rule 7.4:

- (a) The number of Shares issued was 10,750,000 shares and were issued at a notional price of A\$0.071 cps;
- (b) The Shares are subject to 12 months voluntary escrow and will be released from escrow on 9 September 2011;
- (c) The Shares rank pari passu with existing fully paid ordinary shares on issue; and
- (d) The shares were issued to the shareholders of the Alert Trader Group as a part of the consideration for the acquisition of an 81% interest in the Alert Trader Group.

None of the above Shares were issued to related parties.

Information on the acquisition:

On 9 September 2010 the Company announced that it acquired an 81% interest in the Alert Trader Group ('ATG') of companies.

Alert Trader is an innovative share market advisory firm with extensive experience in servicing the needs of private and institutional investors throughout Australia. With a history in financial markets spanning over 20 years, Alert Trader's founding partners are some of the best known and most highly respected Technical Analysts in Australian Financial Services.

About the Alert Trader Group:

- | | |
|---|--------------------------|
| • Financial Year 2010 Revenues: | A\$ 2.1 million |
| • Transactions: | Circa 18,000 CNs / Month |
| • Funds under advice (as at 31 Aug 10): | A\$13.0 million |

Products and services offered by Alert Trader include:

Trade Execution and Advice on:

- Equities;
- Exchange Traded Options (ETOs);
- Warrants; and
- CFDs.

Other Services:

- Margin Financing and Stock Borrowing / Lending;
- Portfolio Reporting and Management; and
- Managed Discretionary Account Services.

Research / Education:

- Newsletter Service (ASX Stocks and Indices, Global markets, Commodities);
- Educational Seminars; and
- A home study / DVD course.

The majority acquisition of ATG represents a continuation of INQ's rejuvenation strategy, whereby it intends to further grow its business via both organic investment and selective, complementary acquisitions. The Board of INQ believes that ATG and its people represent an excellent strategic fit, with each company being able to give the other further momentum in their current growth pursuits.

Immediate benefits include:

- Addition of a proven, experienced and committed management team;
- Increased product diversity;
- A circa 24% annualised increase in revenues (based on FY'10); and
- Attractive future cost synergies as systems are rationalised.

Consideration for the 81% acquisition comprised a combination of cash and New INQ Shares, with INQ retaining the ability to move to 100% ownership of ATG by either 2 March 2012 or 1 July 2012, via respective Put and Call Options. The latter payment is based upon similar price terms, however with potential earnings benefits paid to the vendors, will be dependent upon the achievement of revenue growth in the convening period.

Consideration for the 81% Shareholding comprised:

- i) A\$1,152,600.00 in Cash; and
- ii) 10,750,000 New Shares in INQ (escrowed for 12 months).

Voting exclusion statement on item 8:

The Company will disregard any votes cast on this resolution set out in Resolution 7 by:

- any person who participated in the issue (**Participant**); and
- any Associate of any Participant.

However, the Company need not disregard a vote of a Participant or any Associate of a Participant if:

- (i) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

The Chairman will vote any undirected proxies in favour of the resolution.

*The Board recommends that shareholders **vote in favour** of this resolution.*

Agenda Item 9

Cancellation of Investorfirst Partly Paid Securities to the former Chief Executive Officer

Mr. Brett Spork was appointed Chief Executive Officer ('CEO') of Investorfirst on 6 July 2009 and resigned from this position with effect from 25 June 2010.

As a part of Mr. Spork's employment agreement Shareholders were asked at the 2009 Annual General Meeting to approve for all purposes (including ASX Listing Rules 10.11 and 7.2 (Exception 7.2)) the direct issue of a maximum of 3,500,000 partly paid INQ shares, paid up to 2.0 cents per share by the Company with the outstanding 5.0 cents per share payable by the CEO by no later than 30 June 2012.

These partly paid shares were issued for nil consideration. The cost of 7.0 cents per share was determined by reference to both the market price of INQ shares at the time of Mr. Spork's appointment and the volume weighted average price of INQ shares in the 5 days preceding his appointment.

The partly paid shares did not have performance hurdles or vesting criteria attached to them (other than the CEO must be continuously employed by Investorfirst 12 months after the commencement of his Employment Agreement in order to retain and further pay up the STIP Shares) as they form a part of the base remuneration (ie cash for equity sacrifice STIP).

Given Mr. Spork did not serve the full 12 month period of his contract, the 3,500,000 partly-paid shares were forfeited with a cash payment in lieu made by the Company, totaling A\$70,000.

There are no outstanding amounts which have been called but remain unpaid. Mr. Spork therefore has no liability to the Company in this respect.

As such for the purposes of Listing Rule 7.26 the Company is seeking Shareholder approval to cancel the 3,500,000 partly paid securities issued to Mr. Spork.

Voting exclusion statement on item 9:

The Company will disregard any votes cast on this resolution set out in Resolution 8 by Mr. Brett Spork and an Associate of Mr. Brett Spork.

However, the Company need not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

The Chairman will vote any undirected proxies in favour of the resolution.

*The Board recommends that shareholders **vote in favour** of this resolution.*

Agenda Item 10

Increase in aggregate cap of Non-executive Directors' Fees

In accordance with Listing Rule 10.17, the limit on total aggregate remuneration that may be paid to non-executive directors is fixed by ordinary resolution of a general meeting of shareholders of the Company.

The current limit of A\$250,000 per annum, which was determined prior to the Company's listing on ASX in July 2007, is outlined in rule 19 of the Company's constitution and was disclosed in the prospectus dated 18 June 2007 ("IPO Prospectus") issued by the Company in connection with the initial public offering of its shares. This amount includes superannuation and fees paid to those directors of the Company in their capacity as members of Board committees and directors of subsidiary company boards.

This resolution seeks an increase in aggregate cap of Non-executive Directors' fees.

Voting exclusion statement on item 10:

The Company will disregard any votes cast on this resolution by a Director of the Company and an Associate of a Director.

However, the Company need not disregard a vote if it is cast by:

- a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- a person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

The Chairman will vote any undirected proxies in favour of the resolution.

*The Board recommends that shareholders **vote in favour** of this resolution.*

Agenda Item 11

Approval of the acquisition of HUB24 Pty Ltd and the issue of Investorfirst fully paid ordinary shares as consideration ('Consideration Shares') for the acquisition

1. Details of the HUB24 Acquisition

(a) Share Sale Agreement

On 21 October 2010, the Directors entered into a conditional Share Sale Agreement to acquire 100% of the issued share capital of HUB24 Pty Ltd and its two wholly-owned subsidiaries (HUB24) (**Proposed Acquisition**). The Proposed Acquisition is to be undertaken as a 100% Scrip for Scrip Acquisition, with HUB24 being notionally valued at A\$20 million.

As a consequence, INQ intends to issue to HUB24 Shareholders a total of 266,666,667 New Shares in INQ at a notional value of A\$0.075 cents per share (cps), which will be subject to voluntary escrow, based upon varying time periods or performance.

(b) About HUB24

HUB24's Portfolio Service is an advanced trading and reporting system that enables clients to benefit from cost effective executions and management of trades whilst retaining the full beneficial ownership of securities for improved tax efficiency. HUB24 acts as a 24 hour accessible hub between an Investor and their Adviser, the Model Manager recommending the Model Portfolio, the Broker performing the trades, and the Sub-Custodians who provide the custodial and depository services in respect of the Portfolio Service. This system can be used for managing and administering Managed Discretionary Accounts (MDA's), such as Separately Managed Accounts (SMA's) and Individually Managed Accounts (IMA's). This has the benefit of simplifying the administration of investing in shares for Self-Managed Superannuation Funds.

HUB24 Strengths

- ✓ Provides **DIRECT** "Investor Control" and "Ownership" over investable funds;
- ✓ Proven Executive and IT Development Team, well known to INQ and whom have founded, developed and sold IT-related businesses for in excess of A\$120 million over the past 10 years;
- ✓ Latest in web-based platform technologies and sophistication that is a combination of a Wrap Platform and Managed Discretionary Account Service;
- ✓ 100% Ownership of Intellectual Property; No 3rd Party software involved;
- ✓ Currently 23 model managers making HUB24 the largest offering of SMA managers in Australia;
- ✓ Over 1,000 investment options comprising SMA, managed funds, ETFs, listed securities, direct fixed, margin lending and SMSF capabilities;
- ✓ Independent and designed to cater for the new paradigm in financial advice;
- ✓ Fully integrated direct equities, non-unitised models, managed funds and cash trading and reporting; and
- ✓ Strong potential to build a substantial footprint in the well established and still fast growing Investment Platform marketplace.

(c) Rationale for the Acquisition and the Potential Benefits to Investorfirst Shareholders

The Proposed Acquisition will not result in a change to the nature of Investorfirst's activities, as Investorfirst is already strategically committed to and does provide portfolio solutions for clients. However, given the magnitude of the acquisition, it will increase the scale of Investorfirst's activities in certain areas and as such, shareholder approval of the Proposed Acquisition is being sought.

Through the acquisition of HUB24, Investorfirst will:

- ✓ markedly alter its investment proposition to investors from being a boutique Independent Stockbroker, which executes, clears and settles to becoming an Integrated Financial Services House, with an embedded early-growth stage, investment platform with unique, 100% owned intellectual property capable of delivering attractive medium to long-term annuity style revenues, capable of catapulting INQ's current market capitalisation by a number of multiples;
- ✓ be the first non-institutional integrated platform & broking financial services utility;
- ✓ gain a potential discount on the acquisition price of around 33% to what the HUB24 Board had been seeking from private equity investors;
- ✓ own 100% of what it believes to be the current "best-of-breed" and "first in market" investment platform / administration service allowing investors to gain the benefits of a wrap platform and an MDA service in one hybrid Unified Managed Account Service (UMA);
- ✓ strengthen its capital base, with a Proposed, Contingent Placement up to a maximum of A\$12.5 million;
- ✓ inherit a strong internal IT team, capable of further extending Investorfirst's own front-end stockbroking platforms;
- ✓ obtain a new Managing Director, with Mr. Darren Pettiona (current Non-Executive Director of INQ and Managing Director of HUB24), being offered the position of Managing Director of Investorfirst on a low fixed base salary of A\$150,000 per annum for the first three-years;
- ✓ obtain a new Non-Executive Director, with HUB24 director Mr. Jason Entwistle being offered a board seat. Mr. Entwistle is an experienced investment platform entrepreneur having been the co-founder of Avanteos, now owned by CBA;
- ✓ combine a team of proven entrepreneurs whom have built and sold financial services businesses for in excess of A\$0.5 billion over the past 10 years;
- ✓ be at the forefront of new investment choice development, as fund managers seek alternate methods outside of mutual funds to seek investable dollars, such as ETF's and separately managed accounts;
- ✓ have the ability to potentially export technology and know-how to international markets seeking to replicate Australia's successful financial services marketplace; and
- ✓ likely become a potential future target for acquisition, particularly following full integration, given Full ASX Market Participants which execute, clear and settle are dwindling in number and many of HUB24's competitor platforms rely partly on 3rd party solutions, are technologically outmoded and functionally constrained, let alone not necessarily cost competitive or in the investor's best interests.

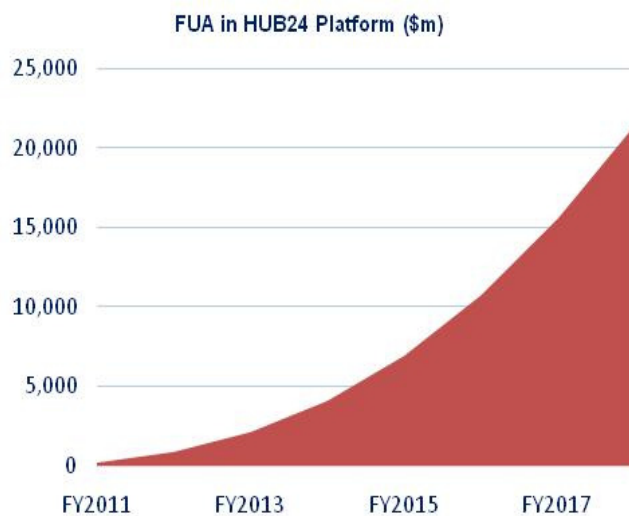
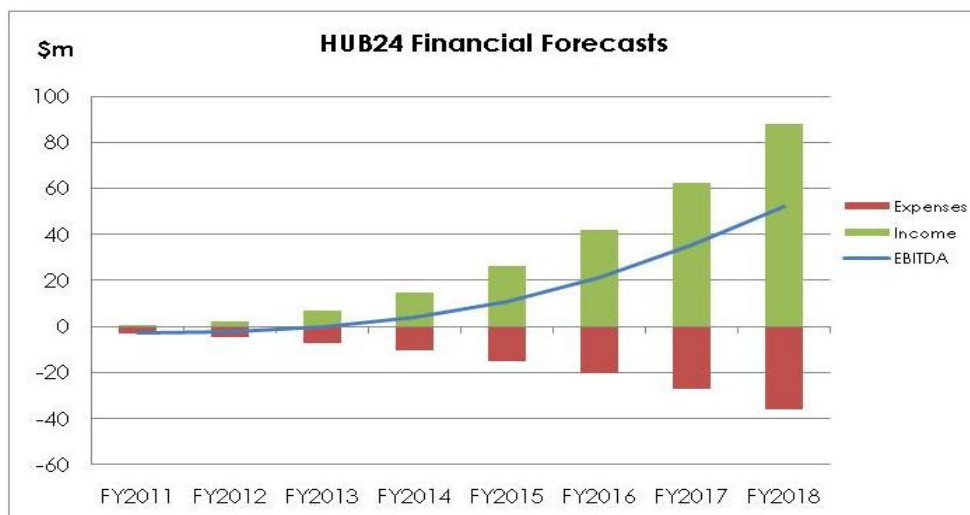
Effect of the HUB24 Transaction on Investorfirst Shareholders

Following the issue of Consideration Shares for the acquisition of HUB24 and the A\$12.5 million capital raising incoming HUB24 Shareholders will hold approximately 39% of Investorfirst shares.

The Consideration Shares will be subject to voluntary escrow restricting the sale of these Consideration Shares for a period of up to 24 months after completion of the Proposed Acquisition.

Mr. Ian Litster, a director of HUB24, currently owns 485,906 INQ Shares and hence will be entitled to a slightly greater percentage of INQ as a result of the acquisition.

Financial Information on HUB24



Source: HUB24

2. ASX Listing Rules 7.1 and 7.3

Resolution 10 seeks Shareholder approval for the HUB24 Pty Ltd ('HUB24') acquisition for the purposes of ASX Listing Rule 7.1. The terms of the Share Sale Agreement are summarised below.

ASX Listing Rule 7.1 provides that prior approval of Shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by the Company during the previous 12 months, exceed 15% of the number of the shares at the commencement of that 12 month period.

Listing Rule 7.3 contains certain requirements as to the contents of a notice sent to Shareholders for the purposes of ASX Listing Rule 7.1 and the following information is included in this Explanatory Statement for that purpose:

Maximum number of securities to be issued:	The HUB24 shareholders will be issued with 266,666,667 Consideration Shares which in aggregate equal A\$20 million in value with an issue price of A\$0.075 per Consideration Share.
Issue Date:	The Consideration Shares will be issued on the Completion Date, estimated to be 1 December 2010 (or in any event within 1 month of the date of the Annual General Meeting).
Relationship between the HUB24 and Investorfirst:	Darren Pettiona, a Non-executive Director of Investorfirst, is an Executive Director and Shareholder (21.2%) of HUB24.
Issue Price:	The issue price of the Consideration Shares will be A\$0.075 per Consideration Share. Note that the issue price of the Consideration Shares will be a deemed issue price for each Consideration Share and no funds will be paid to HUB24.
Terms of Securities:	The Consideration Shares will be fully paid ordinary shares in the capital of the Company and will rank equally with the existing Shares on issue. The Consideration Shares will be subject to voluntary escrow on the terms set out below. A voting exclusion is included in the Notice of Meeting.
Allotees:	The Consideration Shares will be issued to shareholders of HUB24 Pty Ltd (ABN 63 126 560 923).
The use of the funds raised:	No funds will be raised by the issue of the Consideration Shares. The

	Consideration Shares are being issued as consideration for the acquisition of HUB24 and have a deemed value of A\$20 million attributed to them.
--	--

Investorfirst will enter into individual Escrow Agreements with each HUB24 Shareholder which provides that all of the Consideration Shares to be issued to each HUB24 Shareholder in accordance with Resolution 10 will be restricted from trading for a period up to 24 months after completion of the Proposed Acquisition. The following describes the composition of the voluntary escrow periods:

- i) 25% of the Consideration Shares issued will be escrowed for 12 months;
- ii) 25% of the Consideration Shares issued will be escrowed for 18 months; and
- iii) 50% of the Consideration Shares issued will be escrowed for 24 months.

These escrow periods may be varied by the independent non-HUB24 Directors of the INQ Board in certain circumstances and at its sole discretion and in any case will be extinguished either on the anniversary of 24 months, a change of control of INQ, or HUB24 achieving A\$1.75 billion in funds under advice.

3. ASX Listing Rule 10.11

ASX Listing Rule 10.11 requires the approval of ordinary shareholders to issue securities to a related party or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained.

Darren Pettiona is a current director of the Company as well as a shareholder (and director) of HUB24. A director is a 'related party' for the purposes of Listing Rule 10.11. Shareholder approval of the issue of shares to Mr. Pettiona as part of the Proposed Acquisition is therefore required.

Listing Rule 10.13 contains certain requirements as to the contents of a notice sent to Shareholders for the purposes of ASX Listing Rule 10.11 and the following information is included in this Explanatory Statement for that purpose:

Name of the person:	Mr. Darren Pettiona or an entity controlled by him.
Maximum number of securities to be issued (or formula for calculating the number of securities to be issued):	56,450,987 shares.
Date of issue:	The Consideration Shares will be issued on the Completion Date, estimated to be 1 December 2010 (or in any event within 1 month of the date of the Annual General Meeting).
Issue price:	The issue price of the Consideration Shares will be A\$0.075 per Consideration Share. Note that the issue price of the Consideration Shares will be a deemed issue price for each Consideration Share and no funds will be paid to HUB24.

Intended use of funds:	No funds will be raised by the issue of the Consideration Shares. The Consideration Shares are being issued as consideration for the acquisition of HUB24 and have a deemed value of A\$4,233,824 attributed to them.
-------------------------------	---

4. ASX Listing Rule 11.1

ASX Listing Rule 11.1 governs significant transactions. The issue of an additional 41% of capital by the Company amounts to a significant change in the Company's scale of activities and therefore under ASX Listing Rule 11.1.2 shareholder approval is being sought.

The Proposed Acquisition is not a change to the nature of the Company's activities, it however will increase the scale of Investorfirst's activities in certain areas, namely portfolio administration. Therefore, the Company considers that the Proposed Acquisition will not significantly change the nature of the Company's shareholder's investment in the company.

The following table provides further information on the financial impact of the Proposed Acquisition on the Company:

Factor	As at 30 June 2010	Post-transaction
Total consolidated assets	A\$22,637,718	A\$55,137,718*
Total equity interests	A\$15,392,068	A\$47,892,068*
Number securities on issue as at 21 Oct 10	253,210,934	686,544,268**
Annual profit	(A\$1,068,063)	(A\$2,000,000) (estimate)
Annual revenue	A\$8,728,920	A\$11,000,000 (estimate)

* also includes Placement of 166,666,667 shares as outlined in Resolution 11 of the Notice of Meeting.

** also includes Placement of 166,666,667 shares as outlined in Resolution 11 of the Notice of Meeting.

Despite a highly volatile investment market, the Company is well capitalised and considers itself well placed to take advantage of growth opportunities. In recent years, the Company has invested heavily in analysing acquisition opportunities which has, in a general sense, been communicated to shareholders, as evidenced in the 2010 Annual Report.

Voting exclusion statement on item 11:

The Company will disregard any votes cast on this resolution on this resolution set out in Resolution 10 by:

- any person who may participate in the issue of shares or receive a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed (**Participant**); and
- an Associate of any of those persons.

However, the Company need not disregard a vote of a Participant or any Associate of a Participant if:

(i) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or

(ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

The Chairman will vote any undirected proxies in favour of the resolution.

*The Board recommends that shareholders **vote in favour** of this resolution.*

Agenda Item 12

Approval of the placement up to A\$12.5 million, to Sophisticated and Professional Investors

Resolution 11 is being put before Shareholders in accordance with ASX Listing Rule 7.1.

Subject to approval of resolution 10, INQ seeks to raise an additional A\$12.5 million through a new capital raising. This will be achieved by a further placement of 166,666,667 New Shares in INQ, again at a value of A\$0.075 cps.

Various investors (including certain directors referred to in Agenda Item 13) have given firm commitments to participate in the placement. The participation by the relevant directors is condition on shareholder approval being obtained under resolution 12. If resolution 12 is not passed by shareholders, then the remaining investors (excluding the directors) have committed to underwrite the placement by taking up the shortfall.

Listing Rule 7.3 contains certain requirements as to the contents of a notice sent to Shareholders for the purposes of ASX Listing Rule 7.1 and the following information is included in this Explanatory Statement for that purpose:

Maximum number of securities to be issued:	166,666,667 shares.
Issue Date:	Approximately 2 December 2010, but in any event, no later than 3 months after date of meeting.
Issue Price:	A\$0.075 per share.
Terms of Securities:	Ordinary shares.
Allotees:	Private placement to sophisticated investors being persons to whom a disclosure document is not required to be provided by virtue of sections 708(8) and 708(9) of the Corporations Act.
The use of the funds raised:	Ongoing funding of HUB24 rollout, general working capital (cash at bank)

and direct costs of issue & transaction.

About the Placement / The Effect on Investorfirst Shareholders

Contingent upon the HUB24 acquisition being approved by Investorfirst Shareholders, the Underwriting Agreements Investorfirst has entered into with various parties, including Directors of Investorfirst and HUB24, to raise an additional A\$12.5 million in new equity capital will become immediately operative.

Hence, it is envisaged that a further 166,666,667 New Shares in INQ will be issued at A\$0.075 cps. The effect of this capital raising will be to dilute current Investorfirst Shareholders from circa 49%, following the HUB24 acquisition, to 37%.

Capital Structure of the Company

The capital structure of the Company following successful completion of the issue and allotments of the Resolutions 10 and 11 are summarised below:

Item	No. of INQ Shares on Issue
Current number of INQ Shares on Issue	253,210,934
Issue as consideration for HUB24 Pty Ltd acquisition – Resolution 10	266,666,667
Placement – Resolution 11	A max. of 166,666,667
TOTAL	A max. of 686,544,268

Voting exclusion statement on item 12:

The Company will disregard any votes cast on this resolution by:

- a person who may participate in the proposed issue or who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities if the resolution is passed (**Participant**);
- an Associate of those persons.

However, the Company need not disregard a vote of a Participant or any Associate of a Participant if:

- (i) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

The Chairman will vote any undirected proxies in favour of the resolution.

The Board recommends that shareholders **vote in favour** of this resolution.

Agenda Items 13, 14, 15 and 16

Approval for Directors to participate in the placement

Approval is sought for the purpose of Listing Rule 10.11 for the issue of shares to directors under the placement as follows:

- Mr. Otto Buttula: 7,000,000 shares.
- Mr. Darren Pettiona: 8,400,000 shares.
- Mr. Kimberley Hogan: 7,500,000 shares.
- Mr. Robert Spano: 700,000 shares.

ASX Listing Rule 10.11 requires the approval of ordinary shareholders to issue securities to a related party or a person whose relationship with the entity or a related party is, in ASX's opinion, such that approval should be obtained.

A director is a 'related party' for the purposes of Listing Rule 10.11.

The directors have given firm commitments to participate in the placement subject only to shareholder approval under this resolution.

Listing Rule 10.13 contains certain requirements as to the contents of a notice sent to Shareholders for the purposes of ASX Listing Rule 10.11 and the following information is included in this Explanatory Statement for that purpose:

Name of the person(s):	Mr. Otto Buttula, Mr. Darren Pettiona, Mr. Kimberley Hogan & Mr. Robert Spano. <i>Each of directors are all sophisticated or professional investors being persons to whom a disclosure document is not required to be provided by virtue of sections 708(8) and 708(9) of the Corporations Act.</i>
Maximum number of securities to be issued (or formula for calculating the number of securities to be issued):	Mr. Otto Buttula: 7,000,000 shares. Mr. Darren Pettiona: 8,400,000 shares. Mr. Kimberley Hogan: 7,500,000 shares. Mr. Robert Spano: 700,000 shares
Date of issue:	1 December 2010, but in any event, no later than 1 month after date of meeting.
Issue price:	A\$0.075 per share.
Intended use of funds:	Ongoing funding of HUB24 rollout, general working capital (cash at bank) and direct costs of issue & transaction.

Voting exclusion statement on item 13, 14, 15 and 16:

The Company will disregard any votes cast on resolutions set out in Resolution 12, 13, 14 and 15 by:

- any Director who intends to participate in the issue (**Director Participant**); and
- any Associate of any Director Participant.

However, the Company need not disregard a vote of a Director Participant or any Associate of a Director Participant if:

- (i) it is cast by a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides.

The Chairman will vote any undirected proxies in favour of the resolution.